

**265—25.4(16) Application procedure.**

**25.4(1) Application.** Application materials for the program are available from IVRS, IDB, and the authority.

**25.4(2) Submittal.** Completed applications shall be submitted to the IVRS or the IDB counselor.

**25.4(3) Review.** Applications will be forwarded to the business planner and the counselor for review. Applications receiving a minimum of 60 points out of a total 100 points will be eligible to pursue a technical assistance grant or a financial assistance grant. If the application is for financial assistance only, a business plan will be required at the time of submission of the application. Business plans receiving a minimum score of 75 points out of a total of 100 points will be able to pursue a financial assistance grant. Approval of a technical assistance grant is based upon acceptance of a project plan and budget form. Approval of a financial assistance grant is based upon acceptance of a business plan and a sources and uses statement form. A decision on all applications and forms will generally be issued within 30 days of submission with notification by letter to the applicant.

**25.4(4) Applications for technical assistance—evaluation factors.** Applications for the program will be reviewed and evaluated using a 100-point system, based upon the following criteria:

*a. Descriptive and organization information: 0 - 30 points.* Does the applicant have education, skills, and work experience relevant to the proposed business venture? Does the applicant document previous management or accounting experience? Is the applicant clear on the nature of the business?

*b. Market information: 0 - 30 points.* Does the application indicate a clear understanding of potential customer groups and how to reach them? Does the application show sufficient knowledge of products/services, competition, and marketing methods? Does the applicant understand the critical issue of location?

*c. Financial information: 0 - 30 points.* Does the applicant demonstrate an understanding of how to estimate sales potential? Does the applicant indicate knowledge of estimated capital requirements for business start-up, expansion, or acquisition?

*d. Creditworthiness: 0 - 10 points.* Does the applicant's past credit history demonstrate responsible behavior? Awards will not be made if the applicant has a credit history showing delinquent credit obligations including, but not limited to, unpaid income tax, delinquent child support obligations, or defaulted student loans.

**25.4(5) Applications for financial assistance—evaluation factors for business plans.** Applications for financial assistance from the program will be reviewed and evaluated using a 100-point system, based upon the following criteria:

*a. Feasibility: 0 - 25 points.* Feasibility will be considered based upon the overall business plan. Rating factors for this criterion include, but are not limited to: market analysis, financial projections, initial capitalization, management, and historic data relative to similar businesses. A minimum of 15 points is required for this rating factor.

*b. Market plan: 0 - 25 points.* Does the business plan contain sufficient information to demonstrate that the applicant fully understands who the applicant's customers will be and how to reach them? Is there adequate information about competition, market need, location, sales/marketing methods and a product/service description? Is a promotional plan included in the business plan? A minimum of 15 points is required for this rating factor.

*c. Financial plan: 0 - 25 points.* Does the business plan contain a two-year cash flow projection and profit and loss projection? Is there an itemized listing of fixed assets, working capital, and other start-up, expansion and acquisition needs, including detailed descriptions of equipment to be purchased? Is there a clear statement regarding the composition of the anticipated financial package? Has the applicant provided a personal financial statement along with a detailed personal monthly budget form? A minimum of 15 points is required for this rating factor.

*d. Organizational information: 0 - 25 points.* Does the business plan document sufficient education and work experience relevant to the proposed business? Does the business plan demonstrate adequate management experience by the principal party(ies)? A minimum of 15 points is required for this rating factor.

**25.4(6) *Appeal of application evaluation.*** If an application is denied based upon the assignment of an inadequate evaluation score, an applicant may appeal the decision to the IVRS or the IDB. An appeal shall be consistent with the IVRS and the IDB appeal processes.